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ZNR UUUUU ZZH
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FM AMEMBASSY BEIJING
TO RUEHC/SECSTATE WASHDC 6788
INFO RUEHOO/CHINA POSTS COLLECTIVE
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UNCLAS BEIJING 003092

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HQ PACOM FOR PUBLIC DIPLOMACY ADVISOR (J007)
SIPDIS

E.O. 12958: N/A

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SUBJECT: MEDIA REACTION: OBAMA'S VISIT TO ASIA, JAPAN

Editorial Quotes

11. OBAMA'S VISIT TO ASIA

a. "Barack Obama must make a clear statement on his trade policy"

The Shanghai-based Shanghai Media Group (SMG) publication, China Business News (Diyi Caijing)(11/12)(pg A4): "Aside from climate change and promoting global economic recovery, setting a positive tone for the overall U.S.-China trade relations will be an important topic for Obama's visit to China. This year the U.S. has initiated ten countervailing and anti-dumping investigations against Chinese products. Fred Bergsten at the Peterson Institute for International Economics believes that this is not a planned policy of the Obama administration. It happens because of the pressure to create a positive trade policy. A Swiss professor commented that the price Obama paid when he sacrificed trade interests in exchange for the support of the Worker's Union and the Democrats was very high. The U.S. commercial circle is using this Asia trip as a chance to urge Obama to promote regional free trade negotiation. During his visit to Asia, Obama should clarify his trade policy. The U.S. President should make the following statement, 'U.S. trade policy is this...' This is what the Asian countries want to hear, because economic factors are the driving force behind the relationship between Asian countries and the United States."

b. "China should enjoy the right to fair international trade"

Guangdong 21st Century Publishing Company Ltd.'s business newspaper 21st Century Business Herald (21Shiji Jingji Baodao)(11/12)(pg 2): "China should be aware of two facts, about global trade friction: first, because of the financial crisis trade protectionism has spread worldwide; second, with the U.S. as the obviously leader, global trade protectionism mainly targets China. China must respond to the U.S. trade investigations otherwise other countries will follow in the footsteps of the U.S. and start their own broad investigations about China. In fact the situation means an end to China's economic mode which depends on price advantages. What's more, China needs to adopt a better exchange rate system. Due to the depreciation of the U.S. dollar China needs to prepare in order to deal with the criticisms concerning China's exchange rate policy. In order to enjoy the right to fair international trade, China should work towards the removal of any and all discriminative rules against it in the WTO. To fulfill that, China should ask the U.S. to recognize China's market economy status during Obama's visit to China. In return, China can also make appropriate compromises on import and currency issues."

12. JAPAN

"Japan-U.S. relations are still in an adjustment period"

The official Communist Party People's Daily (Renmin Ribao)(11/11)(pg 3): "Japanese experts suggest that Obama will not mention the disputable military base and only vaguely ask Japan to abide by the

U.S.-Japan agreement on U.S. military in Japan. Japan also thinks that Obama's postponed visit to Japan, though reasonable, reflects the two country's dispute over the reorganization of U.S. troops in Japan. To some extent, the Democratic Party of Japan and the Democratic Party of the United States have many things in common: they both face complex, thorny domestic issues. If any setback occurs in U.S.- Japan relations both countries will suffer."

HUNTSMAN